

**Texas Department of Insurance, Division of Workers' Compensation**

Medical Fee Dispute Resolution, MS-48

7551 Metro Center Drive, Suite 100 • Austin, Texas 78744-1609

MEDICAL FEE DISPUTE RESOLUTION FINDINGS AND DECISION**PART I: GENERAL INFORMATION**

Requestor's Name and Address: HARRIS METHODIST HEB 3255 W PIONEER PKWY ARLINGTON TX 76013	MFDR Tracking #: M4-06-0872-01
Respondent Name and Box #: ACE AMERICAN INSURANCE CO. Rep Box # 15	

PART II: REQUESTOR'S POSITION SUMMARY AND PRINCIPAL DOCUMENTATION

Requestor's Rationale for Increased Reimbursement: "ACE has paid on this claim twice. The first time they allowed \$637.40 taking a PPO discount that was not identified on the EOB. According to the repricing company AccuMed the discount was taken through Qmedtrix. The hospital has never had a contract with Qmedtrix. The second payment that was made on the account was paid without a PPO discount. We are asking that the PPO discount that was taken with the first payment be paid to the hospital. A reconsideration was sent to the insurance to have this paid, we are submitting this MDR due to the time frame."

Principal Documentation:

1. DWC 60 Package
2. Total Amount Sought - \$626.85
3. Hospital Bill
4. EOBs

PART III: RESPONDENT'S POSITION SUMMARY AND PRINCIPAL DOCUMENTATION

Respondent's Position Summary: ... "The provider states that the Carrier took a PPO reduction on the initial bill. This is an incorrect interpretation of the EOB. The \$626.85 reduction on the EOB is under the heading of U&C reduction -Usual and Customary. As there is no MAR for these services we paid what we have established through QMedtrix to be fair and reasonable. We did not take a PPO reduction. On the second EOB we paid our Usual and Customary rate (fair and reasonable) on the CT Scan which is the same amount allowed for on the Fee Schedule for Non-hospital facilities. The Carrier will stand on the previous recommendations for payment and hold that no additional reimbursement is warranted in this case as we have paid fair and reasonable."

Principal Documentation:

1. DWC 60 Package

PART IV: SUMMARY OF FINDINGS

Date(s) of Service	Denial Code(s)	Disputed Service	Amount in Dispute	Amount Due
09/27/2004	W10, 42	Emergency Room Services	\$626.85	\$0.00
Total /Due:				\$0.00

PART V: REVIEW OF SUMMARY, METHODOLOGY AND EXPLANATION

Texas Labor Code §413.011(a-d), titled *Reimbursement Policies and Guidelines*, and Division rule at 28 Texas Administrative Code §134.1, titled *Use of the Fee Guidelines*, effective May 16, 2002 set out the reimbursement guidelines.

1. For the services involved in this dispute, the respondent reduced or denied payment with reason codes:
 - W10-No maximum allowable defined by fee guideline. Reimbursement made based on insurance carrier fair and reasonable reimbu [sic] charges exceed our fee schedule or maximum allowable amount.
 - 42-Charges exceed our fee schedule or maximum allowable amount.
2. This dispute relates to outpatient emergency services including radiological studies performed in a hospital setting with reimbursement subject to the provisions of Division rule at 28 TAC §134.401(a)(3) and §134.401(a)(5), effective August 1, 1997, 22 TexReg 6264, which provide that such services shall be reimbursed at a fair and reasonable rate until the issuance of a fee guideline addressing these specific services.
3. Division rule at 28 TAC §134.1, effective May 16, 2002, 27 TexReg 4047, requires that “reimbursement for services not identified in an established fee guideline shall be reimbursed at fair and reasonable rates as described in the Texas Workers’ Compensation Act, §413.011”...
4. Texas Labor Code §413.011(d) requires that fee guidelines must be fair and reasonable and designed to ensure the quality of medical care and to achieve effective medical cost control. The guidelines may not provide for payment of a fee in excess of the fee charged for similar treatment of an injured individual of an equivalent standard of living and paid by that individual or by someone acting on that individual’s behalf. It further requires that the Division consider the increased security of payment afforded by the Act in establishing the fee guidelines.
5. Division rule at 28 TAC §133.307(e)(2)(A), effective January 1, 2003, 27 TexReg 12282; and applicable to disputes filed on or after January 1, 2003 requires that the request shall include “a copy of all medical bill(s) as originally submitted to the carrier for reconsideration in accordance with §133.304.” This request for medical fee dispute resolution was received by the Division on September 26, 2005. Review of the documentation submitted by the requestor finds that the requestor has not submitted a copy of the original bill. Therefore, the requestor has failed to complete the required sections of the request in the form, format, and manner prescribed by the Division sufficient to meet the requirements of 28 TAC §133.307(e)(2)(A).
6. Division rule at 28 TAC §133.307(g)(3)(A), effective January 1, 2003, 27 TexReg 12282; and applicable to disputes filed on or after January 1, 2003 requires the requestor to send additional documentation relevant to the fee dispute including “documentation of the request for and response to reconsideration (when a provider is requesting dispute resolution on a carrier reduction or denial of a medical bill) or, if the carrier failed to respond to the request for reconsideration, convincing evidence of the carrier’s receipt of that request” Pursuant to §133.307(g)(3), the Division notified the requestor on October 6, 2005 to send the additional required documentation. Review of the submitted evidence finds that the requestor has not provided documentation of the insurance carrier’s response to the request for reconsideration or convincing evidence of the carrier’s receipt of that request. The Division concludes that the requestor has not provided documentation sufficient to meet the requirements of Division rule at 28 TAC §133.307(g)(3)(A).
7. Division rule at 28 TAC §133.307(g)(3)(B), effective January 1, 2003, 27 TexReg 12282; and applicable to disputes filed on or after January 1, 2003 requires the requestor to send additional documentation relevant to the fee dispute including “a copy of any pertinent medical records”... Review of the submitted evidence finds that the requestor has not sent a copy of any pertinent medical records. The Division concludes that the requestor has not provided documentation sufficient to meet the requirements of Division rule at 28 TAC §133.307(g)(3)(B).
8. Division rule at 28 TAC §133.307(g)(3)(C), effective January 1, 2003, 27 TexReg 12282; and applicable to disputes filed on or after January 1, 2003 requires the requestor to send additional documentation relevant to the fee dispute including “a statement of the disputed issue(s) that shall include: (i) a description of the healthcare for which payment is in dispute, (ii) the requestor’s reasoning for why the disputed fees should be paid or refunded, (iii) how the Texas Labor Code and commission [now the Division] rules, and fee guidelines, impact the disputed fee issues, and (iv) how the submitted documentation supports the requestor position for each disputed fee issue. Review of the submitted documentation finds that the requestor did not discuss or explain how the Texas Labor Code and Division rules impact the disputed fee issues, or how the submitted documentation supports the requestor’s position for each disputed fee issue. The Division concludes that requestor has not provided documentation sufficient to meet the requirements of Division rule at 28 TAC §133.307(g)(3)(C).
9. Division Rule at 28 TAC §133.307(g)(3)(D), effective January 1, 2003, 27 TexReg 12282, applicable to disputes filed on or after January 1, 2003, requires the requestor to provide “documentation that discusses, demonstrates, and justifies that the payment amount being sought is a fair and reasonable rate of reimbursement”... The requestor did not submit a position statement for consideration in this dispute. Review of the submitted documentation finds that the requestor has not articulated a methodology under which fair and reasonable reimbursement should be calculated. The requestor’s rationale for increased reimbursement from the Table of Disputed Services states that “ACE has paid on this claim twice. The first time they allowed \$637.40 taking a PPO

discount that was not identified on the EOB. According to the repricing company AccuMed the discount was taken through Qmedtrix. The hospital has never had a contract with Qmedtrix. The second payment that was made on the account was paid without a PPO discount. We are asking that the PPO discount that was taken with the first payment be paid to the hospital.” However, the requestor does not further discuss or explain how the amount in dispute was calculated or arrived at. The respondent’s position statement asserts that “The provider states that the Carrier took a PPO reduction on the initial bill. This is an incorrect interpretation of the EOB. The \$626.85 reduction on the EOB is under the heading of U&C reduction – Usual and Customary. As there is no MAR for these services we paid what we have established through QMedtrix to be fair and reasonable. We did not take a PPO reduction.” Review of the EOB finds no evidence of a contractual or PPO discount applied to the services. The requestor did not submit convincing evidence to support the rationale for increased reimbursement. Additionally, the requestor does not explain how it determined that payment of the amount in dispute would result in a fair and reasonable reimbursement for the services in dispute. The requestor does not discuss or explain how payment of the requested amount would ensure the quality of medical care, achieve effective medical cost control, provide for payment that is not in excess of a fee charged for similar treatment of an injured individual of an equivalent standard of living, consider the increased security of payment, or otherwise satisfy the statutory requirements and Division rules. Review of the documentation submitted by the requestor finds that the requestor has not discussed, demonstrated or justified that the payment amount sought is a fair and reasonable rate of reimbursement sufficient to meet the requirements of Division Rule at 28 TAC §133.307(g)(3)(D). Additional reimbursement cannot be recommended.

10. The Division would like to emphasize that individual medical fee dispute outcomes rely upon the evidence presented by the requestor and respondent during dispute resolution, and the thorough review and consideration of that evidence. After thorough review and consideration of all the evidence presented by the parties to this dispute, it is determined that the submitted documentation does not support the reimbursement amount sought by the requestor. The Division concludes that this dispute was not filed in the form and manner prescribed under Division rules at 28 Texas Administrative Code §133.307(e)(2)(A), §133.307(g)(3)(A), §133.307(g)(3)(B), §133.307(g)(3)(C) and §133.307(g)(3)(D). Therefore, the requestor failed to meet its burden of proof to support its position that additional reimbursement is due. As a result, the amount ordered is \$0.00.

PART VI: GENERAL PAYMENT POLICIES/REFERENCES

Texas Labor Code § 413.011(a-d), § 413.031 and § 413.0311
 28 Texas Administrative Code §133.307, §134.1, §133.304, §134.401
 Texas Government Code, Chapter 2001, Subchapter G

PART VII: DIVISION DECISION AND/OR ORDER

Based upon the documentation submitted by the parties and in accordance with the provisions of Texas Labor Code §413.031, the Division has determined that the Requestor is not entitled to additional reimbursement for the services involved in this dispute.

DECISION:

12/11/2009

Authorized Signature

Medical Fee Dispute Resolution Officer

Date

PART VIII: YOUR RIGHT TO REQUEST AN APPEAL

Either party to this medical fee dispute has a right to request an appeal. A request for hearing must be in writing and it must be received by the DWC Chief Clerk of Proceedings within **20** (twenty) days of your receipt of this decision. A request for hearing should be sent to: Chief Clerk of Proceedings, Texas Department of Insurance, Division of Workers Compensation, P.O. Box 17787, Austin, Texas, 78744. **Please include a copy of the Medical Fee Dispute Resolution Findings and Decision** together with other required information specified in Division Rule 148.3(c).

Under Texas Labor Code Section 413.0311, your appeal will be handled by a Division hearing under Title 28 Texas Administrative Code Chapter 142 Rules if the total amount sought does not exceed \$2,000. If the total amount sought exceeds \$2,000, a hearing will be conducted by the State Office of Administrative Hearings under Texas Labor Code Section 413.031.

Si prefiere hablar con una persona en español acerca de ésta correspondencia, favor de llamar a 512-804-4812.